

questions? Senator Johnson, if those organizations that are going to be paying sales tax, their cost of doing business will go up.

SENATOR V. JOHNSON: Yes.

SENATOR HIGGINS: If such an organization buys a Lear Jet, do they pass that cost on to the consumer, or do you think the individuals that use the Lear Jet pay for it out of their own pocket?

SENATOR V. JOHNSON: I think that they try to pass it on to the consumer, but sometimes their pricing policies are so competitive that they cannot. Then they have to pay for it out of their pocket. But I think they sure try to pass it on to the consumer.

SENATOR HIGGINS: If the president of the corporation or the business receives a hefty salary increase, or if all of their employees receive a salary increase, who pays that increase?

SENATOR V. JOHNSON: If that can be passed on to the consumer, that certainly will be in the pricing policies. And, you bet, that will be a consumer cost.

SENATOR HIGGINS: Is there anything that any business does not pass on in the cost of their materials?

SENATOR V. JOHNSON: Every business works diligently to pass its costs on to the consumer. Some are successful and some are not.

SENATOR HIGGINS: Thank you, Senator. I know that Omaha Public Power District, and the rates that they charge businesses, businesses obtain a lower rate than residential because the more they use, the lower the rate. So in a sense I feel like the residential people are already subsidizing businesses because they don't get the benefit of the more they use, the lower the rate. At least that was the way one of the OPPD directors explained it to me when I asked her about it. As to the discussion I have listened to this afternoon, I think Senator Remmers has some points and they are well taken. I think he is sincere in his amendment. But I don't think I would want to support it for the same reasons that have already been mentioned and I